BEFORE THE

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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In the Matter of)	<u> </u>	DEFIAL COMMENICATIONS COMMISSION OFFICE OF THE SECRETARY
Amendment of the Commission's Rules)	ET Docket No. 98-237	
with Regard to the 3650-3700 MHz)		
Government Transfer Rand)		

To: The Commission

REPLY COMMENTS OF WESTERN WIRELESS CORPORATION

Western Wireless Corporation ("Western Wireless") hereby submits its reply comments in response to the Order and Notice of Proposed Rulemaking (the "NPRM") in the above-referenced docket and the comments that have been filed in response thereto. Western Wireless' interest in this proceeding arises from its status as a leading proponent of the use of wireless local loops to provide basic and advanced telecommunications in competition with incumbent local exchange carriers ("ILECs") and wireline competitive local exchange carriers ("CLECs"). As a general matter, Western supports the Commission's proposal to allocate the 3650 to 3700 MHz band to non-governmental fixed service on a primary basis and agrees with the Commission's view of the usefulness of that spectrum to provide traditional telephony and a broad range of new fixed point-to-point and point-to-multipoint services for the home and business.

Western Wireless, through its subsidiaries, owns and operates rural cellular communication systems in 17 western states. As of December 31, 1998, Western Wireless had over 660,000 cellular subscribers in rural America. Western Wireless' Personal Communications Service (PCS) subsidiary, VoiceStream Wireless Corporation, holds licenses in

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the United States covering a population of approximately 62.6 million. As of December 31, 1998, VoiceStream had 322,400 PCS subscribers. Western Wireless also provides paging and CLEC services in selected United States markets, and participates in several international telecommunications operations through joint ventures.

Most significantly in terms of wireless local loop applications, Western Wireless has been a leading proponent of using radio spectrum to provide basic and advanced telecommunications services to consumers residing in rural high-cost areas. In Regent, North Dakota, Western Wireless recently introduced its Wireless Residential Service, a competitive alternative to the local exchange service offered by the ILEC. Wireless Residential Service is priced at \$14.99 per month and includes unlimited local usage, a large local calling area, and "dial tone" that allows for the use of all household phones, facsimile machines, and other customer premise equipment (CPE). Wireless Residential Service is provided over Western Wireless' cellular infrastructure, but uses a quasi-fixed network interface unit at the customer location and an optional high-gain antenna.

Five years prior to introducing its Wireless Residential Service in Regent, Western Wireless commenced offering a similar service to approximately 50 residents of Reese and Antelope Valley, Nevada. Pursuant to a Stipulation reached with Nevada Bell and the Nevada Public Service Commission, Western Wireless is the sole provider of local telephone service to the consumers residing in this area of Nevada. The service offered by Western Wireless is used

¹ Western Wireless is seeking designation as an Eligible Telecommunications Carrier (ETC) in North Dakota and 12 other states that will make it eligible for universal service funding for the supported services to consumers residing in high-cost areas.

by residential and business consumers for basic telephone service and other communications services, including facsimile transmissions.

Based upon its experience providing wireless local loop service over cellular spectrum, Western Wireless believes that additional spectrum should be allocated for fixed wireless local loop services. While cellular and PCS spectrum can be efficiently used to provide both fixed and mobile services, the allocation of additional spectrum will further facilitate the deployment of fixed wireless local loop service. Use of the cellular and PCS spectrum for fixed services could have a negative impact on a carrier's ability to use this same spectrum for mobile applications in the same territories, and vice-versa. Therefore, the provision of fixed wireless local loop services on a more universal basis would be facilitated by access to new spectrum.

Western Wireless concurs with the statements of some of the commenters that while current spectrum allocations in the 18/24 GHz (DEMS), 28 GHz (LMDS) and 38GHz bands do open the opportunities for fixed wireless access and broadband wireless access applications, these frequencies are not well suited to residential and small business applications.² As Western Wireless has demonstrated in Nevada and North Dakota, fixed wireless local loop services can be cost-effectively deployed in many regions throughout the country.

²See, e.g., Comments of Northern Telecom Inc. ("Nortel Comments") at 6-7. As there explained, these limitations result from the propagation characteristics and "line-of-sight" engineering required at the very high frequencies involved. The extra costs for system architecture would require the more concentrated end usage by medium size and larger businesses for competitive viability.

Western Wireless also concurs with the Commission and several commenting parties³ on the benefits of allocating the 3650-3700 MHZ band to non-Government fixed service on a primary basis. This new fixed service will create new and widespread opportunities for more effective competition to existing wireline local exchange carrier services by providing for an economical means to offer a competitive local loop service.

Western Wireless takes no position on the merits of allocating additional spectrum in the 3400 to 3600 band to fixed wireless applications, but agrees that increasing demands for high speed data capabilities may result in the need for more than 50 MHz of spectrum. Western Wireless concurs with the position of several of the commenters that there is merit to harmonizing the use of the 3400 to 3700 MHz band in the United States with the international community. Clearly, such harmonization will facilitate cross-border coordination with Canada and Mexico, and cooperation with other countries where this spectrum has been allocated to fixed wireless services and where such services have been deployed on a commercial basis. Western Wireless understands the needs of the incumbent mobile government radar and fixed satellite service users, but, to the extent that procedures can be put in place for sharing of these frequencies among users, the existence of the incumbents should not constitute an impediment to any further allocations that are necessary for full development of fixed services in this band.

Western Wireless encourages the Commission to license the band in relatively small geographic areas, such the Basic Trading Areas (BTAs) used for C, D, E, and F Block PCS. Use of BTAs or other smaller geographic service areas will be most effective in bringing a wireless

³See, e.g. Nortel Comments and Comments of Lucent Technologies, Inc.

local loop service to unserved or underserved areas. Otherwise, there will be greater risk that licensees of a nationwide or wide regional territory will ignore many of the more rural areas while focusing on the provision of advanced services in more populous regions.

In conclusion, Western Wireless supports the Commission's proposal to allocate the 3650 to 3700 MHz spectrum band to fixed wireless applications. Western Wireless also encourages the Commission to keep an open mind on the allocation of further spectrum in the 3400 to 3600 MHz band to fixed applications, should the need for additional spectrum be demonstrated. The allocation of this spectrum will promote the Commission's goals of universal service, advanced services deployment, and increased competition.

Respectfully submitted,

WESTERN WIRELESS CORPORATION

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CERTIFICATE OF SERVICE

I, Timothy D. Akers, a secretary in the law office of Gurman, Blask & Freedman, Chartered, do hereby certify that I have on this 1st day of March 1999, had copies of the foregoing "REPLY COMMENTS OF WESTERN WIRELESS CORPORATION" sent by U.S. first class mail, postage paid, to the following:

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